

Exhibit Q

Transcript of a February 22, 2017 hearing in the matter Bakken Resources, Inc. v. Holms, CDV-2016-612 pending in the Montana First Judicial District Court, Lewis & Clark County

1 MONTANA FIRST JUDICIAL DISTRICT
2 COUNTY OF LEWIS AND CLARK

4 BAKKEN RESOURCES, INC.,)
5 Plaintiff,)
6 VS.) CAUSE NO. DDV
7) 2016-612
VAL M. HOLMS, ALLAN G. HOLMS,)
8 TODD JENSEN, and ALLEN COLLINS,)
9 Defendants and)
10 Third-Party Plaintiffs,)
11 VS.)
12 KAREN MIDTLYNG, DANIEL D.)
13 ANDERSON, and WESLEY J. PAUL, and)
John Does 1-20,)
14 Third-Party Defendants.)

TRANSCRIPT OF PROCEEDINGS

17 Before the Honorable James Reynolds, Judge Presiding

19 Date and time: Wednesday, February 22, 2017
10:00 a.m.

21 Place: Lewis & Clark County Courthouse
228 Broadway
Helena, MT 59601

23 YVETTE M. HEINZE, CSR, RPR
Official Reporter, First Judicial District
228 Broadway, Second Floor
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APPEARANCES

For the Plaintiff:

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For the Defendants and Third-Party Plaintiffs:

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For Third-Party Defendants:

Jordan York Crosby
P.O. Box 1746
Great Falls, MT 59403

1 February 22, 2017, Wednesday

2

3 THE COURT: Please be seated.

4 The staff brought up the whole file for me
5 today.

6 MR. GOE: Looks kind of small.

7 MR. DOUBEK: Shame on them.

8 THE COURT: I know. So I have only read to
9 this far (indicating).

10 MR. DOUBEK: Is that from the top down?

11 THE COURT: That's from the bottom up? So,
12 anyway.

13 MS. CROSBY: Judge, maybe in light of that,
14 at the last hearing you noted that there was a lot of
15 exhibits.

16 THE COURT: Yeah.

17 MS. CROSBY: So we took the opportunity to
18 put them all in one place for you.

19 THE COURT: Oh, isn't that special.

20 MS. CROSBY: With an index. If you don't
21 mind me approaching.

22 THE COURT: Sure. That's fine.

23 MS. CROSBY: We gave John a copy too.

24 And we cross-referenced where they are all
25 attached as well, with docket numbers for them.

1 THE COURT: Well, that's helpful. Thank
2 you.

3 MR. GOE: A lot of the same exhibits get
4 repeated but with different letters and numbers.

5 THE COURT: Sure.

6 MR. GOE: Now they are all together.

7 MS. CROSBY: In one place.

8 THE COURT: Okay. And you've got this too?

9 MR. DOUBEK: I just got a copy.

10 THE COURT: Okay.

11 MR. GOE: And it includes John's exhibits as
12 well.

13 THE COURT: Okay. So this is all the
14 exhibits as of today?

15 MR. GOE: Yes.

16 THE COURT: Wow. All righty. Thank you.
17 Thanks for doing that.

18 So, I guess, to get on the record, we are
19 here on DDV 2016-612, Bakken Resources versus Holms
20 and others. This is the time set for oral argument
21 on Bakken's -- well, you requested oral argument with
22 regard to the hearings scheduled for next week.

23 MR. GOE: That's correct, your Honor.

24 THE COURT: So what do you want to talk
25 about?

1 MR. GOE: Thank you. Well, the reason I
2 requested oral argument and requested a status
3 conference at the same time was the Court's order of
4 January 3rd, setting an evidentiary hearing for
5 February 28th. And it's our position that there were
6 some pretty significant procedural, as well as
7 substantive, issues that needed to be addressed
8 before we potentially got a little too far off the
9 rails and perhaps ahead of ourselves and where we
10 need to be.

11 As you will recall, we had a hearing back in
12 December. The order was issued January 3rd. I
13 received it January 9th. I believe it was an order
14 that was probably prepared by John that you signed
15 off on, but we have some serious concerns about
16 whether it fairly reflected some of the things that
17 were argued at the time of the hearing, as well as
18 where we were headed in the Nevada proceedings, as
19 well as where we were headed in these proceedings
20 procedurally.

21 In a nutshell -- well, the order states that
22 the hearing on February 28th, among other things, is
23 going to determine whether the takeover was proper
24 and lawful and ought to be approved by the Court,
25 and, if necessary, an evidentiary hearing on the

1 Eagle Private Equity Transaction. And the way the
2 order reads, it reads like we're having a trial
3 relating to what are -- at least one of the very
4 fundamental issues that are already before the Court.
5 And, of course, this is before discovery and before a
6 couple other matters that we think the Court needs to
7 address.

8 You may or may not be --

9 THE COURT: Let me just -- I'm shuffling
10 through here. Again, they did bring up the whole
11 file.

12 MR. GOE: The motion I filed, your Honor,
13 was that -- like I said, your letter is -- excuse
14 me -- your order is January 3rd. We received it on
15 January 9th. And then we filed our brief in support
16 of an emergency motion to vacate order of January 3rd
17 and hearing of February 28th. We filed that on
18 January 17th of 2017.

19 MS. CROSBY: It's Docket 80 and 81.

20 THE COURT: All right.

21 MR. GOE: And then John filed a reply
22 shortly after that. I filed our brief, our last
23 brief, and that's the one where I requested oral
24 argument. I just thought it was extremely important
25 we get before the Court before we show up on the 28th

1 to determine what exactly we're doing.

2 THE COURT: All right. I finally got to the
3 part of the files here that relate to the most recent
4 filings. Go ahead, Mr. Goe.

5 MR. GOE: And why we filed the brief, your
6 Honor, we felt the order itself, with all due
7 respect, contained some inaccuracies regarding what
8 was argued, as well as where we were procedurally.

9 And, secondarily, I just thought it was very
10 important to get before the Court prior to the 28th
11 to address our concerns regarding the hearing that
12 was set for February 28th and what may or may not
13 occur at that hearing.

14 One of our primary concerns is there are
15 multiple motions pending before the Court already
16 that would to some degree dictate what we have to do
17 on the 28th or at some later date and moving forward.

18 In a nutshell, there's a motion that was
19 fully briefed and submitted for a decision by BRI.
20 That was a motion to stay the Montana proceedings,
21 and that was joined in by the third-party defendants.

22 In a nutshell, there's a discussion in that
23 motion and a summary of the litigation that's been
24 pending in Nevada since 2014. There's a summary of
25 the multiple hearings and orders that have been

1 issued out of Nevada, including, which we have talked
2 about previously, the hearing on the Eagle Equity
3 Private -- excuse me -- the Eagle Equity transaction,
4 as well as the testimony of Dan Anderson and Carl
5 George down in Nevada regarding that particular Eagle
6 Equity transaction.

7 In the Court's order, July 24th, 2016, which
8 is Exhibit 9 in that big giant binder that you have
9 there, where the Nevada Court essentially -- in the
10 context of a preliminary injunction, though,
11 indicated that Eagle Private Equity transaction was
12 reasonable, appropriate, and consistent with the
13 Nevada business judgment rule.

14 There was a later hearing regarding the
15 proxies about the same time that we first came before
16 this Court where, again, the Nevada Court felt that
17 the proxies were invalid and indicated that BRI was
18 likely to prepare on those related issues.

19 It's those hearings in Nevada and those
20 findings in Nevada which precipitated the actions by
21 the defendant Allan Holms up here in Montana and
22 which precipitated our litigation to stop what we
23 believe was an attempt to get around the Nevada
24 orders. And, of course, you're well familiar with
25 those.

1 And we have had a hearing about the
2 temporary -- excuse me -- the temporary restraining
3 order, and then we've had several other procedures
4 before this Court as well.

5 So that was, in a very brief nutshell, our
6 basis for our motion to stay that we filed previously
7 that the Court has not yet had the opportunity to
8 rule on.

9 THE COURT: And do you have that marked? Do
10 you know what that docket number is?

11 MS. CROSBY: I can get it for you, just one
12 second.

13 Document 53 and 54 is the third-party
14 defendants' motions to dismiss and stay, and BRI's
15 motion to stay is Document 57 and 58, 59.

16 THE COURT: And that is all fully briefed
17 and before me at this point?

18 MR. GOE: It is.

19 THE COURT: All right.

20 MR. GOE: There are also a couple of other
21 motions that we think the Court needs to rule on
22 before we ever have a trial or hearing on the merits
23 of some of the issues that are before the Court.

24 There was a third party defendants' also
25 filed, which Jordan just mentioned, their motion to

1 dismiss, which is a little different than BRI's
2 motion to dismiss because she represents the
3 individual defendants. There's additional grounds
4 brought before the Court as to why those individual
5 claims need to be dismissed. Jordan can discuss
6 those a lot better than I can.

7 Bottom line is we think the individual
8 defendants have a right to have their motions ruled
9 on and decided before we have an evidentiary hearing
10 regarding validity of the proxies that are one of the
11 issues that are currently before the Court.

12 There's also a motion for protective order
13 that somewhat ties into the motions for a stay. John
14 noticed up the deposition of Dan Anderson. We felt
15 that was inappropriate for a variety of reasons,
16 primarily in light of the motions to stay that were
17 currently pending, as well as the motion for stay
18 that had been filed by the third-party defendants
19 which was still pending before the Court.

20 All of those matters are currently before
21 the Court -- oh, I should also add BRI joined in the
22 motions for a protective order, as well as the motion
23 to dismiss third-party defendants. In addition to
24 the arguments that were raised by Jordan in her
25 briefing, we also pointed out to the Court that

1 there's an element of res judicata involved. The
2 same allegations had been raised previously against
3 the same individual defendants, and that case has
4 previously been dismissed with prejudice. And that
5 is Docket Number 611, which is right before 612,
6 which you have in front of you.

7 THE COURT: Oh, a separate case?

8 MR. GOE: Yes.

9 THE COURT: Okay.

10 MR. GOE: And that case was filed initially
11 at the request of Allan Holms. He was recommended by
12 Mike Lamb's office. They withdrew, and the case was
13 dismissed with prejudice by BRI.

14 And, again, those pleadings are before the
15 Court and have been fully briefed and submitted for a
16 decision.

17 So, you know, it's our position that before
18 we have a hearing on the merits that there should, in
19 fact, be a decision on various motions that are
20 already pending before the Court. We also feel that
21 there's some recent events that dictate as well that
22 we not have a hearing on February 28th and allow the
23 Court to not only decide these motions, but also to
24 consider some additional issues that have recently
25 come to light.

1 As indicated in the suggestion of death that
2 I filed earlier this month, or last month, the
3 defendant Val Holms has passed away. The case -- or
4 there is a probate opened. Bakken Resources has
5 filed a claim in that particular case for various
6 damages. To my knowledge, estate -- there is a
7 personal representative of the estate who is the son
8 of Val Holms. But to my knowledge, they have not
9 assigned an attorney to represent the estate in the
10 proceedings that are not only going on here in
11 Helena, but also the proceedings in Nevada and
12 elsewhere.

13 In any event what that precipitated was a
14 rather unusual spring of events. Allan Holms
15 contacted the transfer agent down in Nevada, the
16 transfer agent for BRI in Nevada, claiming that he
17 had been assigned all of the interest in stock owned
18 by Val Holms shortly before Val Holm's death. He
19 also contacted the transfer agent and indicated that
20 he had various documents that supported the
21 assignment of these shares in BRI; that he wanted to
22 get to the transfer agent and have all of the shares,
23 47 percent of the company I believe it is, assigned
24 to him; and that he would then become the largest
25 shareholder in the corporation.

1 Since this all came to light after Val's
2 death, it raises some significant concerns regarding
3 whether the assignment was made to avoid creditors,
4 whether there might be a fraudulent transfer, whether
5 it was an attempt to bypass the probate proceedings,
6 and those issues.

7 It also came to light through the transfer
8 agent -- and I will provide the documents to the
9 Court that supports this -- that through the transfer
10 agent, they've gotten multiple inconsistent stories
11 from Mr. Holms, as well as another individual,
12 regarding the stock certificates that have to be
13 executed appropriately for any assignment to take
14 place.

15 Initially, there was some claim that he had
16 at least one of the original stock certificates but
17 did not have others. Then it was claimed that he
18 didn't have any original stock certificates, but they
19 all had been medallion guaranteed, which is kind of a
20 way you transfer stock. I assume you're familiar
21 with medallion guarantees. And then it turned out
22 that perhaps they aren't medallion guaranteed. While
23 there's a stamp on them, the bank where these were
24 allegedly stamped indicates that they would not stand
25 behind that medallion guarantee.

1 Despite that, Mr. Holms filed a Form 5 and a
2 Form 13D, or Schedule 13D, with the Securities and
3 Exchange Commission. In there, he indicates that he
4 is a director and shareholder in Bakken Resources.
5 He also indicates that shares were not just assigned
6 to him in December following shortly before Val's
7 death, but he also claims that the shares were --
8 half of them were assigned to him on August 1st.
9 What's interesting about that, that's directly
10 contrary to an affidavit he filed with this Court on
11 August 8th, and in the pleadings that were filed by
12 Mr. Doubek on or about that same time where they
13 indicated Val was still the 47-percent owner of BRI.

14 So there's multiple inconsistencies
15 regarding when the assignments were supposed to have
16 taken place, how they were supposed to have taken
17 place, whether they were medallion guaranteed,
18 whether they weren't medallion guaranteed. And so,
19 essentially, we get a number of different stories
20 provided to the transfer agents and, as I just
21 mentioned, the fact that there was a different story
22 in the affidavits filed with this Court back in
23 August regarding who owned BRI stock.

24 One of the things that BRI did was they had
25 the transfer or the assignment documents reviewed by

1 a forensic expert document examiner. That document
2 examiner concluded that there's many reasons to
3 believe that these are not valid signatures of Val
4 Holms, which obviously raise a large number of
5 concerns.

6 And all this evidence has been presented to
7 the Nevada court, and the Nevada court issued a TRO
8 yesterday against Mr. Allan Holms indicating that he
9 was not to take any further action related to these
10 alleged assignments until a hearing on March 6th.

11 What I have for the Court -- and I even hate
12 to give the Court more documents. But what I can
13 provide to the Court is, in fact, the restraining
14 order that was issued in Nevada, as well as the
15 documents supporting the summary that I just gave the
16 Court.

17 And, again, we think this goes directly to
18 the credibility of Allan Holms, the underlying issue
19 of the proxies of this case. And it's just another
20 reason why, if the motions are denied that we have
21 filed and the Court doesn't think a stay is
22 appropriate, there has to be a reasonable time for
23 discovery to prepare this case for an ultimate trial
24 regarding the underlying issue of legitimacy of the
25 proxies, which by the way at this point have already

1 expired on their own. They expired, I think, in
2 January. It might have been December. But in any
3 event we think this --

4 THE COURT: Can I see the order from the
5 Nevada Court?

6 MR. GOE: Yes.

7 THE COURT: Uh-oh. I thought you were going
8 to be bringing up three pages, and you are bringing
9 up --

10 MR. GOE: I can do that too, but I just want
11 to -- what it is --

12 THE COURT: Mr. Doubek, have you seen the
13 order?

14 MR. DOUBEK: No.

15 MR. GOE: This is the one I gave you this
16 morning.

17 MR. DOUBEK: Well, you just handed it to me,
18 and you took back the copy.

19 MR. GOE: Well, I only have one copy.

20 MR. DOUBEK: Well, that's fine. I'm just --
21 I haven't seen it.

22 MR. GOE: This is the restraining order.
23 This was the verified complaint that was filed in
24 Nevada relating to that, and this is the application.
25 And they are having a hearing on March 6th relating

1 to that.

2 The TRO itself that was issued in Nevada
3 relates to recent events as opposed to some of the
4 old events. It deals primarily with the assignment,
5 tells Mr. Holms he shouldn't be filing any more
6 matters with the SEC, shouldn't be taking any actions
7 claiming that he is now the majority shareholder of
8 BRI, and setting it for hearing.

9 THE COURT: So this order is based on this
10 application. And then what's the bottom document?

11 MR. GOE: That's the verified complaint that
12 served as the underlying basis for it.

13 THE COURT: Okay.

14 MR. GOE: And multiple exhibits as you can
15 tell.

16 THE COURT: Okay.

17 MR. GOE: And many of those exhibits are
18 included in the binder that we just gave you at the
19 end, which includes the affidavits from the transfer
20 agent and some of the other documents and the
21 exchanges of e-mails between BRI and counsel for
22 Mr. Allan Holms.

23 THE COURT: Okay.

24 MR. GOE: Not Mr. Doubek, but a different
25 counsel for Allan Holms.

1 THE COURT: Okay.

2 MR. GOE: So we also think this raises some
3 additional reasons why time is important to try to
4 sort out some of these issues before we have a
5 hearing relating to the proxies and who is in control
6 of the company and the related items.

7 What I would also say is I don't know how
8 the Court is going to rule on our motions. We think
9 our motions are strong. We think the legal arguments
10 are very strong as to why this Court should defer on
11 certain issues until the Nevada proceedings run their
12 course, but I understand the Court may think
13 otherwise.

14 And if, in fact, the Court denies the
15 motions, I think due process requires that everyone
16 have the opportunity to conduct discovery and to
17 prepare the matter for trial, not just a, quote,
18 "evidentiary hearing" that to my understanding is
19 only set for three hours, which is woefully
20 inadequate for what ultimately would need to be
21 presented. You know, there's not even a scheduling
22 order issued. I think we need a scheduling order.
23 We would need a discovery deadline. We would need a
24 motions deadline. We would need a trial date.

25 And, you know, in the prior hearing that we

1 had -- and this was the basis for our motion -- the
2 Court recognized that it was premature to have a
3 hearing on the merits when we haven't had any
4 discovery and we haven't gotten ready, so to speak,
5 is how the Court put it. That is cited in my brief,
6 and we totally agree.

7 We think the motion should be granted. We
8 urge the Court to grant the motion. But in the event
9 that they are not, we need to move forward in a
10 reasonable fashion as opposed to immediately trying
11 to jump to a trial on the merits, what? Six days
12 from now. That doesn't make any sense to me.

13 And I would also indicate that -- you know,
14 I understand we are only set for three hours. I am
15 talking three or four days, probably, at a minimum to
16 try the issues that Mr. Doubek wants to try as
17 reflected in your order, which includes validity of
18 proxies and related issues.

19 There's also a reference to the Eagle Equity
20 transaction in the order, which indicates that that
21 might be litigated as well. We don't think that's
22 properly before the Court, and we've argued that in
23 various pleadings that we filed.

24 But the bottom line is if the Court
25 disagrees and if we are in fact going to do that,

1 that's going to be an extensive proceeding, not
2 something that's going to happen in three hours or
3 even a day. And, again, I would think three or four
4 days would probably be the minimum.

5 Bottom line, we think it's premature to have
6 a hearing of any evidentiary nature next week. The
7 Court should have the opportunity to rule on the
8 motions, consider the motions, rule on them. And
9 based on how the Court decides those motions, that
10 will dictate how we move forward.

11 THE COURT: All right.

12 MR. GOE: Thank you.

13 THE COURT: Mr. Doubek.

14 MR. DOUBEK: Your Honor, the Court's order
15 dated January 3, 2017, simply recites fact. There's
16 no conclusions in that. As the Court will recall
17 when we all met on December 12th, the Court was
18 inclined and did say that more notice needed to be
19 given to Bakken so they could be prepared, so get a
20 date from the clerk, and we'll set this for a
21 hearing. On December 12th, it was then determined
22 that the hearing would be on February 28th.

23 We have been trying to take depositions in
24 this case. But, "Oh, no, we've got to file these
25 motions for protective orders. We've got to keep

1 these third-party defendants safe from discovery."

2 Now, they want to have full discovery and time for
3 this and time for that.

4 And, as we've maintained since our initial
5 filings last August, they just want to stall this out
6 and hope that Nevada figures it out and rules in
7 their favor. That's what they want to do. It's pure
8 and simple.

9 This Court has a couple of issues that it
10 could decide now, which may obviate the need for
11 another hearing even. And that is the matters that
12 were submitted to the Court in August. Ollie filed a
13 notice that the matter should be deemed submitted. I
14 think we might have even joined in that. And there
15 was all of the proxy information and issues. There
16 was, you know, what Allan Holms purported to
17 accomplish on July 20, 2016, by coming in and
18 asserting majority shares in an effort to take the
19 company back for the shareholders. The Bakken deal
20 with -- the Eagle Equity transaction was part and
21 parcel of that. All of that is contained in the
22 briefs and the exhibits that we filed with the Court
23 back in August-ish. And then the matter was
24 submitted by approximately the end of August.

25 THE COURT: What's that in connection with?

1 What was the motion that was all tied to?

2 MR. DOUBEK: Well, we have maintained that
3 the efforts by Mr. Allan Holms on July 20th, should
4 be recognized as legitimate. And if that's the case,
5 then he should be the one in control of this company.
6 And if he's in control of this company, the Eagle
7 Equity transaction goes away.

8 THE COURT: Okay.

9 MR. DOUBEK: It just goes away. So all of
10 that was briefed and submitted to the Court in
11 August. You know, we had a short hearing on
12 August 9th or August 8th, something like that. And
13 then there were follow-up briefs and affidavits and
14 all of that sort of thing, which is probably largely
15 in that binder there. I haven't looked through it.
16 I just got it as you did.

17 THE COURT: My understanding is what's in
18 the binder is exclusively the exhibits.

19 MR. GOE: That's right.

20 THE COURT: It's not the briefing attached
21 to the exhibits; right?

22 MS. CROSBY: Correct.

23 MR. DOUBEK: And I presume that's exactly
24 what's in there.

25 THE COURT: Okay.

1 MR. DOUBEK: But in any event all of that
2 was submitted to the Court.

3 Now, the further obscuring of issues now
4 that -- you know, what has Allan Holms done with the
5 stock that he received from Val Holms and all of
6 that? We know that he received Val's proxy for all
7 of the stock that Val had, and he went forward with
8 that on July 20th.

9 After that, there was some agreement made
10 between Val and Allan with regard to half of the
11 stock. And then they went back and evidently Val
12 assigned all of his stock or the balance of his stock
13 to Allan. I haven't been involved in that other than
14 to file -- I filed an affidavit and gave it to
15 Allan's SEC lawyers and said, you know, "All I know
16 is that Val told me this is what he was going to do
17 and that he had done it."

18 I wasn't involved in any of that
19 transaction, but I don't -- I think that's a red
20 herring, Judge, because that's all stuff that has
21 happened more recently.

22 We're talking about the things that happened
23 on or before July 20th. And if the Court decides the
24 motions that were presented to the Court in August
25 and had been fully briefed, that may resolve a lot of

1 these later issues. It certainly may well resolve
2 the issues filed by Jordan with respect to the
3 third-party defendants because they came in later.

4 They weren't served at the time of the
5 initial hearing in August. They were served later
6 on. And after they were served, I tried to take
7 depositions. But, "No, no, we can't have
8 depositions." But now we maybe need a hearing on the
9 merits that will take three or four days. We need a
10 scheduling order and all of that sort of thing.

11 I would suggest that there's a way to
12 resolve all of this by having the Court take a look
13 at what's been filed in August and resolve things at
14 that point. But --

15 THE COURT: Well, let me just tell everybody
16 here, this is truly the first time I have seen the
17 whole file. When we were having these previous
18 hearings -- and this isn't anybody's fault, but I was
19 being brought up the most recent filings, the ones
20 that were pertinent to the particular hearing. So I
21 was not aware that I had as much here to review as I
22 do. And so just so you know that's -- I'm sitting up
23 here pretty much barricaded in by paper at this
24 point.

25 MR. DOUBEK: I understand. And, Judge, with

1 regard to your January 3rd order, we simply wanted to
2 go forward as we tried to do in December and present
3 some additional evidence so that you had maybe even a
4 fuller record to consider when you were resolving the
5 issues presented to you in August. That's what we
6 were trying to do.

7 THE COURT: Okay.

8 MR. DOUBEK: There was nothing secretive
9 about what we were trying to do. We gave them our
10 exhibits and so forth in December. And it was at
11 that time you said, "Get a date. We'll have a
12 hearing on this issue." And that's what we did.
13 And, now, you know, it's further stalling tactics.

14 So our request is that we go ahead with the
15 hearing on February 28th to supplement the record for
16 the benefit of your Honor. But if the Court decides,
17 "No, I have got enough to go ahead and decide the
18 issues that were presented in August," that's
19 perfectly fine.

20 THE COURT: Okay. I think that's where I'm
21 going to probably come down on this. Again, having
22 not been fully aware of the scope of what had been
23 filed, I do -- and, you know, I'm taking Mr. Goe's
24 assessment at his word that three hours is not going
25 to be an adequate amount of time if we're going to

1 get anywhere near the volume of materials that have
2 been presented.

3 MR. DOUBEK: I don't disagree with that.

4 THE COURT: So I think the hearing next week
5 is probably not going to be fruitful at this point.
6 So what I would propose doing is let me look at --
7 both sides are telling me there are things in the
8 record that may very well slice this thing, either
9 eliminate it completely or slice it down
10 substantially. And I think that's what I want to try
11 to do. I think I want to try to get to this material
12 and get back to the motions on both sides of this and
13 see if those will, in fact, help us focus.

14 MR. DOUBEK: Appreciate that.

15 THE COURT: Does that work for both sides?

16 MR. GOE: That's fine.

17 THE COURT: So I am vacating the hearing for
18 next week.

19 I don't know that we want to do a scheduling
20 conference right this minute.

21 MR. GOE: The only thing --

22 MR. DOUBEK: We would wait.

23 THE COURT: Yeah, I was wondering if we want
24 to wait for a ruling on this.

25 MR. GOE: The only thing I would indicate --

1 well, I think it would be fine to wait for a ruling.
2 I think that makes a certain amount of sense.

3 I would just argue that the matters that
4 were submitted for a decision back in August that
5 Mr. Doubek mentions were in the context of temporary
6 restraining orders and preliminary injunctions. They
7 were not full-scale trials on the underlying merits
8 of the various arguments that were being raised by
9 the trial.

10 Now, the Court may decide it has enough or
11 it may decide it doesn't have enough, but I want the
12 Court to understand, procedurally, we were not having
13 a trial on the merits. We were briefing and having a
14 hearing relating to some of the issues that led up to
15 the preliminary injunction requests that were filed
16 by the respective parties.

17 THE COURT: Okay.

18 MR. GOE: I would also point out that when
19 we were doing this in August, Jordan and her clients
20 weren't parties --

21 THE COURT: Were not even in it yet.

22 MR. GOE: -- weren't even in the case yet.
23 So to the extent that what is decided may impact
24 them, they should have the opportunity to participate
25 in some fashion.

1 So, I mean, that kind of complicates things
2 a little bit as well. They were not brought in
3 until, what? October or November?

4 MS. CROSBY: October.

5 THE COURT: Okay.

6 MR. GOE: So whatever happened in August,
7 they were not part of it, and that makes a difference
8 as well.

9 THE COURT: Okay. Well, let me -- did you
10 want to say something?

11 MS. CROSBY: Just to follow up on that, your
12 Honor. I think our position would be we have a
13 dispositive motion to dismiss as to the third-party
14 claims. So if the Court were to find for us on that
15 motion, it doesn't matter what happened in August.

16 THE COURT: You're done. All right.

17 Well, let's take it at that, then. I will
18 review the pending motions. And if I feel like I
19 need more information or if I feel like I want to
20 hear from the third party defendants, then I will
21 advise the parties of that as I review through these
22 materials.

23 MR. DOUBEK: That makes sense.

24 THE COURT: Does that work for everybody?

25 MR. GOE: Just from the caveat that this was

1 still decided in the context of a preliminary
2 injunction, which is different than a final say on
3 the underlying merits.

4 THE COURT: I understand.

5 MR. GOE: Yes.

6 THE COURT: I understand. All right.

7 MR. DOUBEK: Thank you, Judge.

8 THE COURT: So we're good to go, then?

9 MR. GOE: Yes.

10 MS. CROSBY: Thank you.

11 MR. GOE: Thank you.

12 THE COURT: All right. Thank you.

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14 The proceedings concluded at 10:27 a.m.

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REPORTER'S CERTIFICATE

5 I, Yvette M. Heinze, a Registered
6 Professional Reporter, residing in the City of
7 Helena, State of Montana, hereby certify:

8 That prior to being examined, the witnesses
9 named in the foregoing proceeding were sworn to
10 testify to the truth, the whole truth, and nothing
11 but the truth;

12 That the said proceeding, taken down by me
13 in stenotype, was thereafter reduced to typewriting
14 by computer-aided transcription under my direction
15 and is a true record of the testimony given.

16 I further certify that I am not in any way
17 interested in the outcome of this action and that I
18 am not related to any of the parties thereto.

19 Witness my hand this April day of 3rd, 2017.

Yvette M. Heinz

*S*YVETTE M. HEINZE, CSR, RPR